



NCUA Media Release

Hyland Provides Perspectives on Regulatory, Tech Issues to Podcast Audience

Alexandria, Va. (May 3, 2011) – National Credit Union Administration (NCUA) Board Member Gigi Hyland participated in a podcast on April 15, 2011, regarding current issues facing the credit union system.

The podcast covered a wide range of current credit union issues including:

- The state of the nation's credit unions today;
- Which current information security threats pose the biggest challenges;
- How [Dodd-Frank](#) and other regulatory reforms impact security and risk management; and
- How pending [FFIEC guidance](#) on authentication and online banking will help institutions improve security and fight fraud.

In response to a question about which types of fraud are impacting credit unions the most, Hyland remarked, "In the area of electronic fraud, plastic card fraud and member identity theft are by far the largest threat and concern for credit unions. We have tracked some limited breaches, but the control of non-public information and protection of the member's private information is the greatest challenge, and what seems to be the area of greatest exposure for credit unions."

Board Member Hyland noted specific frauds that pose growing threats to credit unions including:

- **ACH fraud** – Fraudsters obtain members' checking account numbers and bank routing numbers and then transfer unauthorized funds.
- **Wire Transfer fraud** – A fraudster steals member account numbers and commits criminal activities electronically transferring money from one account to another account.

- **ATM skimming** – Perpetrators place a small electronic device (skimmer) over the ATM card slot to swipe and store victims' debit card numbers and use a hidden camera to read personal identification numbers.
- **Insider fraud** – Trusted employees and contractors are taking advantage of their granted access privileges to access and steal member accounts.
- **Credit/debit card fraud** -- Credit and debit card fraud can take many forms in stealing members' cards or information and commit criminal activities.

The podcast was hosted by Tom Field, Editorial Director, Information Security Media Group Corp. which sponsors www.bankinfosecurity.com. To listen to the podcast, [click here](#).

NCUA is the independent federal agency that regulates, charters and supervises federal credit unions. With the backing of the full faith and credit of the U.S. government, NCUA operates and manages the National Credit Union Share Insurance Fund, insuring the deposits of more than 90 million account holders in all federal credit unions and the overwhelming majority of state-chartered credit unions.

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